The Institute of Operational Risk

Members' Handbook

Established in January 2004, the Institute of Operational Risk is a professional body dedicated to the promotion of skills and standards associated with Operational Risk Management.

The stated mission of the Institute is to promote the development and discipline of Operational Risk, to foster and maintain research into the best means and methods of developing and applying the discipline and to encourage, increase, disseminate and promote knowledge, education and training and the exchange of information and ideas.

Membership is available to Operational Risk practitioners at all levels and there are four grades of membership: Fellow, Professional, Corporate and Associate.

Members are organised into country-based and regional Chapters, each of which has its own local chapter committee, appointed by the chapter's members.

The Institute is governed by a Council of Directors elected by its members. The Council is led by the Chair who is elected by Directors of Council from amongst their number.

The Institute supports its members through:

Professional standards - against which membership and professional competency is judged
External events - for the promotion of ideas, ongoing professional development and networking
Research - to assist the above and ensure the continual improvement of methods, techniques and knowledge
Sound Practice Guidance – the development of a series of Sound Practice Guidance papers, concerning various aspects of Operational Risk Management practices.

Members are positively encouraged to take part in as many of the activities of the Institute as possible.

The IOR Handbook is a living document, and we expect it to contain a number of further detailed areas as these are finalised by Council.

Grades of Membership

There are four grades of membership available at The Institute.

Fellow

The top grade of membership, awarded to those who are considered to have made a significant contribution to the discipline of Operational Risk or a significant contribution to the Institute itself. Fellows are permitted to use the designatory letters **FIOR** whilst they remain members.

Professional

For those with a minimum of two years' practical experience and who are currently active in a risk-related role. This may include individuals currently working in internal audit or compliance. This category is also open to those working in academia. Members are permitted to use the designatory letters **PIOR**.

Corporate

Corporate Members are firms, associations and other legal entities that wish to avail their employees of the benefits of membership in The Institute. The entity is the member and the employee the representative. Corporate Members have certain obligations in the area of hosting local chapter events, while representatives have full access to the benefits open to other membership grades, other than voting rights and the right to serve as an office holder within the Institute.

Associate

For those who are starting out on their career, who are interested in learning more about Operational Risk Management, or are actively engaged in research, education and training, or an associated field.

Code of Conduct

1. To act honestly and fairly at all times when dealing with members of the Institute of Operational Risk, peers within Operational Risk and related disciplines, clients and customers, and the broader public and to be a good steward of their interests, taking into account the nature of your business relationship with each of them, the nature of the services and support to be provided to them and the individual instructions given by them.

2. To act with integrity in fulfilling the responsibilities of your membership of the Institute and to seek to avoid any acts, omissions or business practices which damage the reputation of the Institute in the management of Operational Risk.

3. To observe applicable law, regulations and professional conduct standards when carrying out Operational Risk Management activities, and to interpret and apply them to the best of your ability according to principles rooted in trust, honesty and integrity.

4. To be alert to and manage fairly and effectively and to the best of your ability any relevant conflict of interest.

5. To attain and actively manage a level of professional competence appropriate to your responsibilities, to commit to continuing learning to ensure the currency of your knowledge, skills and expertise and to promote the development of others.

6. To strive to uphold the highest personal and professional standards.

The Chatham House Rule

http://www.chathamhouse.org/about-us/chathamhouserule

To make our events as productive as possible they are held under the Chatham House Rule. Attendees are free to use the information from the meetings on the understanding that the identity and affiliation of speakers and of any organisations the speakers refer to are not disclosed unless such information is already in the public domain.

Prospective attendees must consider this stipulation prior to attending and attendance is considered to be consent.

We find that this encourages open and frank discussion and is an important factor in the high quality of our gatherings.

Continuous Professional Development

What is CPD?

Continuing Professional Development (CPD) can be defined as: "The systematic maintenance, improvement and broadening of knowledge, experience and skills, and the development of personal qualities helpful in the execution of professional duties throughout a career."

Who should undertake CPD?

The Institute expects all Fellows and Members, Corporate Member Representatives and Associates, regardless of status within the Institute and regardless of their experience, to take responsibility for their own continuous development in this field.

Why CPD?

All professional disciplines face a fast changing environment, and especially Operational Risk as the discipline is so relatively new. This environment means that members must continuously strive to keep their skills and knowledge as up to date as possible.

Experience at work alone is not enough; CPD is an essential further dimension by which members can ensure they are maintaining, strengthening and further developing their professional skills and abilities.

In common with most other comparable institutes, the IOR maintains its own CPD policy, and makes the assumption that time spent in relevant study or other recommended activity is an indication of increasing expertise.

How can you achieve CPD?

The IOR defines CPD in terms of hours of accepted CPD training. In any one year, each member of the Institute is expected to complete at least 30 hours of training.

The minimum requirements of time spent in each activity type are there to challenge members to take part in all the constituents of CPD.

How can CPD be recorded? The CPD Log

The CPD log is available to download from the IOR website.

Each member should account for all CPD training in the IOR CPD Log. This log must be available for inspection, and individual logs will be called in for inspection throughout the year. Members may, if necessary be asked to explain the relevance of the CPD recorded to their personal professional development.

If, at the discretion of the Council of the IOR, their CPD is judged insufficient, they may be asked to undertake further work, and will be given advice and assistance on finding suitable opportunities. The IOR expects such cases to be exceptional.

Each member should, in addition, be prepared to attest to the satisfactory completion of the previous year's CPD when renewing their membership subscription.

To allow for inspection, members should keep their logs and any certificates of relevant training completion they are awarded for 6 years.

What are the CPD elements?

CPD is divided into 3 categories, which should add up to at least 30 hours, and within that total each member should complete at least an hour of work per year under each category. These categories are:

1 Training

Activities that are active and participatory, and are part of some recognised formally constituted training, conference, knowledge transfer or briefing scheme. Computer-based training is included here.

Maximum claimable hours : 28

Minimum claimable hours : 1

2 Self-directed Learning

All unaccompanied learning activities, including internet based research, except computer-based training included in 1 above.

Maximum claimable hours : 10

Minimum claimable hours : 1

3 Development of Others

Where a member of the Institute shares their knowledge and expertise with other members or directly with non-members in the fields covered by the Institute, including Institute and related professional contributions, and all provision of training and education, including conference presentations. Those in training roles can multiply contact time by 5 to account for preparation.

Maximum claimable hours : 20

Minimum claimable hours : 1

What activities are accredited for CPD?

There is a very broad range of training and knowledge transfer that is potentially suitable for members to pursue as CPD. The Institute gives permission to members to self-certificate their own training, providing that this training is clearly recorded in the individual member's CPD log, and meets the requirements of the 3 elements detailed above. Such training should be clearly relevant to this purpose, and may be subject to challenge when individual logs are called in for inspection.

Contact info@ior-institute.org if you require further information.

In addition, the institute accredits some courses for CPD as a guide for members. These will include the training events which the Institute runs. Those other courses or programmes from other institutes and organisations which are accredited will be listed on the IOR website.

Can you apply for a concession?

The CPD team contactable via email to info@ior-institute.org will provide the first contact point for consideration of any concessions. It may be the case that individual members have compelling personal reasons for an exception to the policy, and these will always be considered sympathetically, by IOR Council in the final instance.

Examples of CPD

1 Training

Sources:

Specialist training providers either in-house or independent, providers of academic training including educational establishments, and institutes or societies. This category will include the formal training run by the IOR.

Delivery:

Courses, conferences, workshops, structured discussions and formal computer-based training. Completion required may range from attendance through to presentation, to formal examination and dissertation. A variety of evidence may be provided, including self-certification of attendance or completion or other forms of certification including qualifications.

Computer-based learning of sufficient quality by a specialist provider.

2 Self-directed learning

Sources:

A wide range of specialist providers of information in the fields of relevance to Operational Risk:

Accepted academic and practical authors on theory and practice, and regulatory and supervisory bodies.

The proceedings of governance bodies and discussions of the development of operational risk practice.

The works of individual organisations such as their own policies and procedures with regard to operational risk.

The use of regular professional journals and magazines should be carefully assessed to ensure that material recorded as CPD is of sufficient professional quality.

Delivery:

A wide range of reading materials including paper and electronic format, the latter available in many forms including through internet and intranet search, including the relevant parts of the IOR website. Materials may be made available through for example commercial publishers, individual organisations under various conditions of confidentiality, and research institutes and libraries such as the British Library.

3 Development of Others

Sources:

Research and lecture preparation, mentoring.

The results of self-directed learning are expressed in communication either as contributions to original research or in the preparation and presentation of lectures and other forms of training.

Contributions to the development of the profession and the Institute.

Where members assume positions of responsibility such as attendance at committee meetings and contributions to workstreams then their experience and expertise in the field of operational risk is an important source of their authority.

Delivery:

All training roles can multiply contact time by 5 to account for preparation. All posts of responsibility can multiply their contact time by 2 to account for preparation.

Note that self-certification allows this topic to be widely drawn. A member of the Institute without a formal post of responsibility or a formal teaching or training role can nevertheless take part in the development of others and further the development of the discipline of Operational Risk. Leadership is available at every level, and can assume the form of providing assistance and taking informal responsibility for the professional development of others such as work colleagues, providing some basic assistance at training events, and contributing to the growth in membership of the Institute.

Activities not appropriate for CPD

A wide range of 'business-as-usual' activities should not be entered on CPD logs:

Normal working activity, other than original research.

Use of basic non-technical journalism.

Social activities, including Institute dinners.

All non-technical discussions.

The fact of subscription to relevant journals is not sufficient to justify CPD, it is the appropriate and justified usage that is of relevance.

The Institute Website

The Institute website is full of information and guidance for members and non members:

 https://www.ior-institute.org

For queries contact:

info@ior-institute.org

Our mailing address is:-

2 Old College Court
29 Priory Street
Ware, England SG12 0DE
United Kingdom

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Institute Management Google drive:

https://drive.google.com/a/ior-institute.org/?tab=mo&pli=1#folders/
0B7HZiP6_s0M7dW1ic1pyT0VGcFE

Appendix 1

Local Chapters as at January 2015

The majority of members of the IOR are organised in local Chapters, which are responsible for organising meetings and events. Information about local Chapter activities can be found from the following and from the Institute's website (www.ior-institute.org):

England & Wales	Andrew Sheen Helen Pykhova	asheen@ior-institute.org epykhova@ior-institute.org
Scotland	Allan Barr	abarr@ior-institute.org
Germany	Walter Dutschke	wdutschke@ior-institute.org
Hong Kong	Dominic Wu	dwu@ior-institute.org
Nigeria	Edima Ben Ekpo	ebekpo@ior-institute.org
Netherlands	Alex Dowdalls	adowdalls@ior-institute.org
Other Chapters	Mike Finlay	mfinlay@ior-institute.org

Appendix 2

IOR Council as at January 2015

Simon Ashby		Chair
	Portfolio	
Rubina Faber	Central Operations and Portfolios Education	Vice Chair
Mike Finlay	Local Chapters	Vice Chair
Alan Dunk	Marketing, Communications and PR	
Michael Faber	Technology, Information Security	
Jimi Hinchliffe	Governance	
Stephen Murgatroyd	Membership	
Asim Balouch	Finance	
Trevor Bedeman	Risk and Compliance, CPD	
Bharat Thakker	Non-Executive, Audit	
Jennifer Moodie	Non-Executive	
John Thirlwell	Non-Executive, Fellowship	

Sub-Groups

Dr. Ariane Chapelle	Sound Practice Guidance	Chair

Daniel Golding	IOR Endorsements	Chair

Appendix 3

IOR Service companies and contacts

Nicki Alvey
0800 091 3750   03707 369369
07934 427096
(Val Rosier)
Not For Profit Business Services Limited
2 Old College Court,
29 Priory Street,
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Telephone: 03707 369369
Fax: 08448225215
Web site: http://www.n4pbs.co.uk

Lee Evans
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Company Registered in England: 06664824 |
VAT Reg No: 987 7666 32

EKO provides support for the IOR under:
support@ior-institute.org